



January 3, 2017

The Honorable Elijah E. Cummings
Ranking Member
Committee on Oversight and Government Reform
House of Representatives
Washington, DC 20515

Dear Representative Cummings:

Thank you for your letter dated December 22, 2016, from 11 members of the House Committee on Oversight and Government Reform requesting certain records related to the Old Post Office pursuant to 5 U.S.C. § 2954 (the "Seven Member Rule"). Your inquiry has been referred to me for response. Specifically, the request sought:

1. A list of any currently available, unleased space within the hotel;
2. A copy of the fifth amendment to the lease;
3. A copy of Exhibit G to the lease, which lists the ownership of the leasing corporate entity;
4. All monthly expense and profit projections;
5. Any legal memos regarding potential conflict of interest of Mr. Trump having an ownership interest in the hotel and serving as President;
6. The first monthly report submitted to GSA by the Trump Organization in November describing revenues and expenses for September and, when it is provided this month, the next monthly report describing revenues and expenses for October; and
7. A summary or analysis of the bankruptcy of the previous tenant leasing the Old Post Office.

Per the Old Post Office Building Redevelopment Act of 2008, Congress directed the General Services Administration (GSA) to redevelop this underutilized historic building. GSA ran a fair and open competition, subject to careful and rigorous review, which resulted in the selection of the Trump Organization as the preferred private sector entity to redevelop the Old Post Office.

In 2013, following the open competition, selection of a contractor, and review of its material terms by Congress, GSA signed a lease with the Trump Old Post Office, LLC (the LLC). In accordance with the lease, the LLC will pay GSA rent for 60 years to use the Old Post Office facility as a hotel. Additionally, the lease provides for profit sharing with GSA upon the meeting of certain financial benchmarks. Finally, the lease ensures the historic preservation and integrity of the Old Post Office building.

Consistent with the Seven Member Rule and judicial and Department of Justice, Office of Legal Counsel opinions (see e.g., 6 Op. O.L.C. 632 (1982) and 28 Op. O.L.C. 79 (2004)), enclosed please find attachments responsive to your request. Attachment A contains unredacted copies of: (a) the fifth amendment to the Old Post Office lease, (b) Exhibit G to the lease, (c) the 2017 budget estimate, and (d) the monthly income statements from September and October 2016. The documents are produced pursuant to a request under 5 U.S.C. § 2954 and contain

1800 F Street, NW
Washington, DC 20405-0002

www.gsa.gov

privileged or confidential information protected from public release in accordance with the Privacy Act, Freedom of Information Act, and/or other statutory or regulatory protections. The provision of the records to members of the House Committee on Oversight and Government Reform pursuant to a request in accordance with 5 U.S.C. § 2954 does not waive GSA's ability to assert a privilege regarding this material in the future. Please do not further disseminate this information without prior written coordination and approval from the General Services Administration. Attachment B contains redacted versions, previously provided, which can be publicly shared. Please note that GSA does not have a list of unleased space within the hotel.

Finally, as for the previous tenant that leased the Old Post Office, that entity filed for bankruptcy due to a variety of reasons, including market forces beyond GSA's control. GSA drafted certain protections in the present lease to protect the Government, including obtaining a security deposit; equity guaranty; and, a bad acts guaranty. In the event of a bankruptcy, the lease contains terms and conditions to protect the interests of the Government through remedies available under the United States Bankruptcy Code, 11 U.S.C. §§101 et seq., as may be amended from time to time, and if the lease is rejected under the Bankruptcy Code, the lease contains additional terms to address and protect the Government's interest.

If you have any questions, please contact me at (202) 501-0563.

Sincerely,

(b) (6)

Lisa A. Austin
Associate Administrator

cc:

The Honorable Jason Chaffetz, Chairman
The Honorable William Lacy Clay
The Honorable Stephen Lynch
The Honorable Jim Cooper
The Honorable Gerald E. Connolly
The Honorable Ted Lieu
The Honorable Bonnie Watson Coleman
The Honorable Mark DeSaulnier
The Honorable Brendan F. Boyle
The Honorable Peter Welch
The Honorable Michelle Lujan Grisham